



BUSINESS SCHOOL

Economic Policy Centre Pensions and Intergenerational Equity Hub

He Manga Tauhokohoko | University of Auckland Business School

Pensions and Intergenerational Equity Hub

RPRC now operates as [Pensions and Intergenerational Equity \(PIE\) Hub](#) of Economic Policy Centre.

Newsletter for quarter ended September 2024

[The June newsletter](#) drew attention to the dominance in social security spending of New Zealand Superannuation (NZS) and how the fiscal pressures of the ageing population, including spending on health care, are growing rapidly.

PIE is following up the policy issues that arise for many individuals coming into retirement for whom NZS is not enough. Affordable housing is a key issue with few options for those who do not own their own homes as set out in a [PIE briefing by M Claire Dale](#).

Following the debate earlier in the year, [the departing CEO, Caralee McLiesh of Treasury noted](#) *"With an ageing population, we're seeing an increasing share of government transfers going to the wealthy, because we have an increase in population of the over-65s, and some of those are in the higher income categories."* While there were few details of how to change the superannuation system, she acknowledged *"lifting the age of eligibility above 65 would leave some groups worse off than others, while means testing would be administratively difficult."* A PIE briefing to be published soon shows how a solution may lie in treating NZS as an untaxed grant, removing single sharing and couple rate distinctions, and using a separate tax scale to clawback from the top end is a simple cost-effective way to reduce the fiscal cost. This PIE briefing updates previous modelling: [New Zealand Superannuation as a basic income 2021](#)

PIE Commentaries and presentations

We continue to publish [a range of commentaries](#) and presentations from Research Associates. This section of the PIE webpage encourages debate about policies and issues that impact on pensions and intergenerational equity.

- [PIE Commentary 2024-8: NZ's electricity market is a mess. Rolling out rooftop solar would change the game.](#)
New Zealand is in the enviable position of already having abundant hydro power capacity. But with increasingly uncertain rainfall due to changing climate patterns, adding widely distributed rooftop solar would mean the country was less vulnerable to lower lake levels.
- [PIE Commentary 2024-7: Looming crisis means NZ must rethink how it pays for aged care](#)
Recent submissions to parliament's Health Select Committee make it clear that a crisis looms for the aged care sector in New Zealand, centred on the funding and staffing of residential aged care and in-home care and support services.

- [PIE Commentary 2024-6: Should ACC levies be raised in 2024?](#)
ACC is suggesting levy increases for three years to 2027/2028. This commentary examines the case in the context of ACC as social insurance and the context of the timing in the economic cycle.

PIE Briefings

[PIE Briefing 2024-1: Housing options for older people in Aotearoa New Zealand: Trends and challenges.](#) M Claire Dale surveys housing options currently available to older people in Aotearoa New Zealand. Those who own their homes mortgage-free have multiple choices and opportunities to improve their wellbeing and comfort.

PIE media

- Dale, M C & St John, S, quoted in Irish Examiner [Why auto-enrolment can be a double-edged sword for women's pensions \(irishexaminer.com\)](#). 6 October 2024.
- Dale, M.C. [The consequences of losing trust in our public institutions](#), Checkpoint RNZ, 25 September 2024.
- Dale, M.C. [Aged Care in Crisis in Aotearoa, Conversation](#), 19 September 2024.
- St John, S (2024) [Ballet dancing is as dangerous as rugby? Or is the complex super structure of levy setting dangerous to much needed 21st century reform of ACC](#) , Daily Blog, 24 September.
- St John, S (2024) [We do not need ACC levy increases](#) Daily Blog, 22 September.
- Guest speaker, Susan St John, 'Challenges to the NGO sector' Variety, 20 August, and Citizens Advice Bureau AGM, West Auckland, 22 August 2024.
- [Bryan Bruce Podcast with Susan St John on Working for Families](#), Head to Head, [Audio](#) substack Bryan Bruce series, 19 August 2024.
- St John, S (2024) [Just listen to Matthew and apply market-based technology to solve complex social problems](#) Daily Blog 13 August 2024.
- St John, S (2024) [Some may be worse off due to tax cuts: expert | RNZ](#) 31 July 2024.
- St John, S (2024) [There are many more past injustices for the state to answer](#) Daily Blog, 29 July 2024.
- St John, S (2024) [Time to cut through the weirdness, be bold and simplify Working for Families.](#) Daily Blog 23 July 2024.